

Public Law 842

CHAPTER 786

July 30, 1956
[H. R. 5337]

AN ACT

To amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities.

Perishable agri-
cultural commodi-
ties.

46 Stat. 533.

Unfair conduct.

License.
64 Stat. 217.

Fees.
64 Stat. 218.

50 Stat. 726.

Investigation.

Hearing.

50 Stat. 726.
7 USC 499d.

Refusal of li-
cense.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 (5) of the Perishable Agricultural Commodities Act, 1930 (7 U. S. C., sec. 499b (5)), is amended to read as follows:

"(5) For any commission merchant, dealer, or broker to misrepresent by word, act, mark, stencil, label, statement, or deed, the character, kind, grade, quality, quantity, size, pack, weight, condition, degree of maturity, or State, country, or region of origin of any perishable agricultural commodity received, shipped, sold, or offered to be sold in interstate or foreign commerce;"

SEC. 2. (a) Section 3 (b) of such Act (7 U. S. C., sec. 499c (b)) is amended by striking out in the third sentence the words "of \$15" and inserting "not to exceed \$25".

(b) The last proviso of section 4 (a) of such Act (7 U. S. C., sec. 499d (a)) is amended by striking out "a fee of \$20" and inserting "the fee provided in section 3 (b), plus \$5".

SEC. 3. Section 4 (d) of such Act (7 U. S. C., sec. 499d (d)) is amended to read as follows:

"(d) The Secretary may withhold the issuance of a license to an applicant, for a period not to exceed thirty days pending an investigation, for the purpose of determining (a) whether the applicant is unfit to engage in the business of a commission merchant, dealer, or broker because the applicant, or in case the applicant is a partnership, any general partner, or in case the applicant is a corporation, any officer or holder of more than 10 per centum of the stock, prior to the date of the filing of the application engaged in any practice of the character prohibited by this Act or was convicted of a felony in any State or Federal court, or (b) whether the application contains any materially false or misleading statement or involves any misrepresentation, concealment, or withholding of facts respecting any violation of the Act by any officer, agent, or employee of the applicant. If after investigation the Secretary believes that the applicant should be refused a license, the applicant shall be given an opportunity for hearing within sixty days from the date of the application to show cause why the license should not be refused. If after the hearing the Secretary finds that the applicant is unfit to engage in the business of a commission merchant, dealer, or broker because the applicant, or in case the applicant is a partnership, any general partner, or in case the applicant is a corporation, any officer or holder of more than 10 per centum of the stock, prior to the date of the filing of the application engaged in any practice of the character prohibited by this Act or was convicted of a felony in any State or Federal court, or because the application contains a materially false or misleading statement made by the applicant or by its representative on its behalf, or involves a misrepresentation, concealment, or withholding of facts respecting any violation of the Act by any officer, agent, or employee, the Secretary may refuse to issue a license to the applicant."

SEC. 4. Section 4 of such Act is further amended by adding at the end thereof the following subsection:

"(e) The Secretary may refuse to issue a license to an applicant if he finds that the applicant, or in case the applicant is a partnership, any general partner, or in case the applicant is a corporation, any officer or holder of more than 10 per centum of the stock, has, within

three years prior to the date of the application, been adjudicated or discharged as a bankrupt, or was a general partner of a partnership or officer or holder of more than 10 per centum of the stock of a corporation adjudicated or discharged as a bankrupt, unless the applicant furnishes a bond of such nature and amount as may be determined by the Secretary or other assurance satisfactory to the Secretary that the business of the applicant will be conducted in accordance with this Act."

SEC. 5. Section 8 (b) of such Act (7 U. S. C., sec. 499h (b)) is amended to read as follows:

50 Stat. 730.

"(b) The Secretary may, after thirty days' notice and an opportunity for a hearing, suspend or revoke the license of any commission merchant, dealer, or broker who, after the date given in such notice, continues to employ in any responsible position any individual whose license has been revoked or is under suspension or who was responsibly connected with any firm, partnership, association, or corporation whose license has been revoked or is under suspension. Employment of an individual whose license has been revoked or is under suspension for failure to pay a reparation award or who was responsibly connected with any firm, partnership, association, or corporation whose license has been revoked or is under suspension for failure to pay a reparation award after one year following the revocation or suspension of any such license may be permitted by the Secretary upon the filing by the employing licensee of a bond, of such nature and amount as may be determined by the Secretary, or other assurance satisfactory to the Secretary that its business will be conducted in accordance with the provisions of this Act;"

Suspension of license.

SEC. 6. Section 13 (a) of such Act (7 U. S. C., sec. 499m (a)) is amended to read as follows:

46 Stat. 536.

"(a) The Secretary or his duly authorized agents shall have the right to inspect such accounts, records, and memoranda of any commission merchant, dealer, or broker as may be material (1) in the investigation of complaints under this Act, or (2) to the determination of ownership, control, packer, or State, country, or region of origin in connection with commodity inspections, or (3) to ascertain whether section 9 of this Act is being complied with, and if any such commission merchant, dealer, or broker refuses to permit such inspection, the Secretary may publish the facts and circumstances and/or, by order, suspend the license of the offender until permission to make such inspection is given. The Secretary or his duly authorized agents shall have the right to inspect any lot of any perishable agricultural commodity covered by this Act, and if any commission merchant, dealer, or broker having ownership of or control over such lot fails or refuses to authorize or allow such inspection, the Secretary may, after thirty days' notice and an opportunity for a hearing, publish the facts and circumstances and/or, by order, suspend the license of the offender for a period not to exceed ninety days."

Inspection of accounts, etc.

Approved July 30, 1956.

Public Law 843

CHAPTER 787

AN ACT

Relating to the use of storage space in the Hulah Reservoir to provide water for the city of Bartlesville, Oklahoma.

July 30, 1956
[H. R. 8940]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Army is hereby authorized to contract with the city of Bartlesville, Oklahoma, upon such terms and for such period, not to

Bartlesville,
Okla.
Water from Hulah
Reservoir.